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RUEHNE/AMEMBASSY NEW DELHI 1733
RUEHLH/AMCONSUL LAHORE 2513
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C O N F I D E N T I A L SECTION 01 OF 02 KARACHI 000380

SIPDIS

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TAGS: [PGOV](#) [PREL](#) [PTER](#) [EINV](#) [PK](#)
SUBJECT: CODEL CASEY MEETS WITH KARACHI MAYOR

Classified By: Kay Anske, Consul General, 1.4 b and d.

¶1. (C) Summary: On May 27, U.S. Senator Robert Casey and Consul General (CG) met with Karachi Nazim (Mayor) Syed Mustafa Kamal in Karachi. Kamal, a member of the Muttahida Qaumi Movement (MQM) political party, forecast a growing threat to Karachi from religious extremists and disagreed with the peace deal between the GOP and taliban elements in Swat. Kamal used the city,s IT Tower project as an example of a successful public/private partnership in Karachi. End summary.

¶2. (C) Karachi Nazim (Mayor) Syed Mustafa Kamal, a member of the Muttahida Quami Movement (MQM) political party, told Senator Robert Casey (D-PA) and Consul General (CG) that Karachi, home to 18 million, is the largest single contributor to the federal budget and that the city is a moderate force in the face of rising extremism. He outlined his accomplishments over the past two years, including provision of potable water and sewage services to most of the city,s inhabitants.

Public/Private Partnerships

¶3. (C) The Nazim touted the potential of Karachi and cited the city,s future IT Tower project as an example of the success of his public/private partnership initiative. He said that, instead of selling property to investors, the city government had entered into a lease agreement with them that gives the city a portion of the revenues from the project. When completed, Kamal explained, the building will contain a 10,000-seat call center and provide employment for 30,000. According to him, 5,000 of the call center seats are already subscribed.

&Thousands of Red Mosques8

¶4. (C) Kamal seemed focused on the threat posed to the city by religious extremists, who he insisted were, for the most part, not native Sindhis. He said that, if &evil forces8 take over the city, Pakistan would destabilize because Karachi was the economic engine of the country. He pointed out that Karachi has over 2,500 religious schools, with student bodies largely made up of migrants from Pakistan's northern areas and from Afghanistan.

Kamal added that the city has &thousands of Red Mosques.⁸ (Comment: This is in reference to the religious extremist Red Mosque in Islamabad that was stormed by GOP forces in 2007. End comment.)

¶5. Many prominent MQM leaders, the Nazim included, are on terrorist hit lists, he said. Extremists abhor his political party, Kamal asserted, because it is a moderating force. Expounding, he said much of the political establishment opposes MQM because it challenges Pakistan,s &status quo.⁸ MQM office holders do not come from political dynasties or otherwise well-connected families, yet the party successfully contests elections. He cited his middle-class roots as an example.

Peace Deal in North a Bad Idea

¶6. (C) Kamal cast doubt on the successful outcome of recent GOP peace overtures with extremists fighting in the &northern part of the country,⁸ apparently referencing the agreement with tribals in Pakistan,s Swat district (not the proposed accord in South Waziristan Agency). Kamal believed the treaty was largely between the provincial government of the Northwest Frontier Province (NWFP) and the taliban and did not include other areas of the country. The result, he said, would be a cessation of Pashtun-on-Pashtun violence in NWFP, but an increase of terrorist activity in other areas of the country -

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including Karachi. He cautioned that Pakistan appears to be dividing along ethnic lines, with Pashtuns supporting the Awami National Party (ANP); Punjabis backing the Pakistan Muslim League-Nawaz (PML-N); and, Sindhis following the Pakistan People,s Party (PPP).

Advice from the Nazim

¶7. (C) Asked what advice he would give the next U.S. President, Kamal stressed the importance of recognizing the difference between the U.S.,s friends and foes, and learning more about South Asia. Kamal concluded, "It is important to identify moderate forces."

¶8. (U) CODEL Casey did not clear this cable.
Anske